

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION

In re : **Chapter 9**
CITY OF DETROIT, MICHIGAN, : **Case No. 13-53846**
Debtor. : **Hon. Steven W. Rhodes**
: **x Expedited Consideration Requested**

**EX PARTE MOTION OF CREDITORS
FOR SHORTENED NOTICE AND EXPEDITED
HEARING ON MOTION FOR ADJOURNMENT OF
CONFIRMATION HEARING AND RELIEF FROM SCHEDULING ORDER**

The Creditors¹ hereby submit this *ex parte* motion (the “**Motion**”)² for shortened notice and expedited hearing on the Motion of Creditors for Adjournment of Confirmation Hearing and Relief from Scheduling Order (the “**Motion for Adjournment**”) and respectfully represent as follows:

Jurisdiction and Venue

1. This Court has jurisdiction to consider this matter pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b). Venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409.

¹ Financial Guaranty Insurance Company (“FGIC”), Deutsche Bank AG, London, Dexia Crédit Local and Dexia Holdings, Inc., Panning Capital Management, LP, on behalf of funds and accounts managed by it, Monarch Alternative Capital LP, on behalf of funds and accounts managed by it, Bronze Gable, LL.C., Aurelius Capital Management, LP, on behalf of its managed entities, Stone Lion Capital Partners L.P., on behalf of funds and accounts managed by it, and BlueMountain Capital Management, LLC on behalf of funds and accounts managed by it, and the Macomb Interceptor Drain Drainage District (“MIDDD”) join this Motion.

² Capitalized terms not defined herein shall have the meanings ascribed to them in the Motion for Adjournment.

Relief Requested and Basis for Relief

2. Pursuant to Bankruptcy Rule 9006(c) and Local Bankruptcy Rule 9006-1(b), this Court may, *ex parte*, shorten the notice period provided by Local Bankruptcy Rule 9014-1 for a party to take any action or file any paper.

3. On September 9, 2014, Syncora and the City filed a joint motion announcing they had reached an agreement in principle resolving Syncora's objections to the Plan. (*Joint Motion of Syncora and the City of Detroit for Adjournment of the Hearing*, dated September 9, 2014 [Docket No. 7379].) Syncora and the City described the agreement as one that "will profoundly alter the course of the proceeding and the litigation plans of the remaining parties." (*Id.*)

4. At the hearing to consider the Joint Motion, counsel for the City confirmed that the terms of the settlement between the City and Syncora, if finalized, will require certain amendments to the Plan, and that the City will file a seventh amended version of the Plan once definitive settlement documentation is complete.

5. The Court granted the Joint Motion, adjourning the Confirmation Hearing until September 15, 2014, and confirmed in a dialogue with counsel for FGIC at the hearing on the Joint Motion that any further adjournment would be addressed via motion.

6. The Creditors have, concurrently herewith, filed the Motion for Adjournment. In the Motion for Adjournment, the Creditors primarily seek: (a) additional time in which to analyze the necessity and scope of questioning certain witnesses and to prepare for such examinations; and (b) relief from the Fifth Amended Scheduling Order to provide expert testimony regarding the value of the consideration to be provided to Syncora and Class 9 pursuant to the settlement and to engage a new expert witness (necessitated by the City's refusal to allow the Creditors to proceed in calling Kevin M. Murphy) to testify about an issue related to pension claims and the City's argument in response to the Creditors' unfair discrimination

objections. For the reasons stated in the Motion for Adjournment, the Creditors seek the immediate entry of an order adjourning the Confirmation Hearing until September 22, 2014.

7. The Creditors respectfully request that, pursuant to Bankruptcy Rule 9006(a) and Local Bankruptcy Rule 9006-1(b), the Court shorten the notice period with respect to the Motion for Adjournment and that an expedited hearing on the Motion for Adjournment be scheduled for Monday, September 15, 2014.

(balance of page intentionally left blank)

WHEREFORE, the Creditors respectfully request that the Court enter the Order, substantially in the form attached hereto as **Exhibit 1**, granting the relief requested herein and such other and further relief as the Court may deem just and proper.

Dated: September 14, 2014

Respectfully submitted,

/s/ Mark R. James

Ernest J. Essad Jr.

Mark R. James

WILLIAMS, WILLIAMS, RATTNER &
PLUNKETT, P.C.

280 North Old Woodward Avenue, Suite 300
Birmingham, MI 48009

Telephone: (248) 642-0333

Facsimile: (248) 642-0856

Email: EJEssad@wwrplaw.com

Email: mrjames@wwrplaw.com

– and –

Alfredo R. Pérez

WEIL, GOTSHAL & MANGES LLP

700 Louisiana Street, Suite 1600

Houston, TX 77002

Telephone: (713) 546-5000

Facsimile: (713) 224-9511

Email: alfredo.perez@weil.com

– and –

Edward Soto

WEIL, GOTSHAL & MANGES LLP

1395 Brickell Avenue, Suite 1200

Miami, FL 33131

Telephone: (305) 577-3177

Facsimile: (305) 374-7159

Email: edward.soto@weil.com

/s/ Debra L. Fish

Deborah L. Fish

ALLARD & FISH, P.C.

2600 Buhl Building

535 Griswold

Detroit, MI 48226

Telephone: (313) 961-6141

Facsimile: (313) 961-6142

– and –

KRAMER LEVIN NAFTALIS
& FRANKEL LLP

Thomas Moers Mayer

Jonathan M. Wagner

1177 Avenue of the Americas

New York, New York 10036

Telephone: (212) 715-9100

Facsimile: (212) 715-8000

*Counsel for Dexia Crédit Local and
Dexia Holdings, Inc., Panning Capital
Management, LP, on behalf of funds and
accounts managed by it, Monarch Alternative
Capital LP, on behalf of funds and accounts
managed by it, Bronze Gable, L.L.C., Aurelius
Capital Management, LP, on behalf of its
managed entities, Stone Lion Capital Partners
L.P., on behalf of funds and accounts managed
by it and BlueMountain Capital Management,
LLC on behalf of funds and accounts managed
by it*

Attorneys for Financial Guaranty Insurance
Company

/s/ Kenneth E. Noble

Kenneth E. Noble
John J. Ramirez
KATTEN MUCHIN ROSENMAN LLP
575 Madison Avenue
New York, NY 10022-2585
Tel: (212) 715-9393
E-mail: Kenneth.noble@kattenlaw.com
John. Ramirez@kattenlaw.com

Counsel for Deutsche Bank AG, London

/s/ Allan S. Brilliant

Allan S. Brilliant
Debra D. O'Gorman
Stephen M. Wolpert
DECHERT LLP
1095 Avenue of the Americas
New York, NY 10016
Telephone: (212) 698-3500
Facsimile: (212) 698-3599
allan.brilliant@dechert.com
stephen.wolpert@dechert.com

*Attorneys for Macomb Interceptor Drain
Drainage District*

EXHIBIT 1

Proposed Form of Order

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION

-----X
In re : Chapter 9
CITY OF DETROIT, MICHIGAN, : Case No. 13-53846
Debtor. : Hon. Steven W. Rhodes
: :
-----X

**ORDER GRANTING THE CREDITORS'
EX PARTE MOTION FOR SHORTENED NOTICE AND
EXPEDITED HEARING ON MOTION FOR ADJOURNMENT OF
CONFIRMATION HEARING AND RELIEF FROM SCHEDULING ORDER**

This matter coming before the Court on the *EX PARTE MOTION OF CREDITORS FOR
SHORTENED NOTICE AND EXPEDITED HEARING ON MOTION FOR ADJOURNMENT OF
CONFIRMATION HEARING AND RELIEF FROM SCHEDULING ORDER* (the “Motion”)¹
and the Court being fully advised in the premises;

IT IS HEREBY ORDERED THAT:

1. The Motion is GRANTED.
2. The hearing with respect to the Motion for Adjournment shall be held on September 15, 2014 before the Honorable Steven W. Rhodes.
3. The terms and conditions of this Order shall be immediately effective and enforceable upon its entry.

¹ Capitalized terms used and not otherwise defined herein shall have the meanings ascribed to them in the Motion.